



Orica 2022 AGM Report

ASX Code	ORI
Meeting Date	14 December 2022
Type of meeting	Physical
Monitor	Adam Raymond assisted by Belinda White
Pre-AGM Meeting?	Yes, with Mr Broomhead and Maxine Brenner

Meeting Statistics

Number of holdings represented by ASA	160
Value of proxies	\$7,683,630 Number of shares: 495,878 Share price on day of meeting: \$15.50 (open), 15.49 (close)
Number of shares represented by ASA	496k (equivalent to 20th largest holder in Top 20 list)
Number attendees at meeting	Shareholders plus visitors – as provided by the company
Market capitalisation	\$6.0b – on day of meeting
ASA open proxies voted	Yes, on a poll

Another write-down takes the wind out of a return to profit

Safety

Two deaths occurred under this year's reporting period, one in Russia and another in Kazakhstan. These were acknowledged as part of the Chair and managing director's speeches. The serious injury rate has dropped during the year, though not as much as the company intended.

Due to identified safety hazard concerns, Orica is proactively reworking use of the elevated platform and fly rock safety.

Financials

The significant write downs principally came from the rushed exit from the Russian market after Russia's invasion of the Ukraine, resulting in asset transfers significantly below the book value. Russian business was sold to the management personnel employed by Orica in Russia.

The Burrup plant has achieved full production, contributing to increased sales in the Oceania division of the company.

Orica indicated that the carrying value analysis was complex. The Company maintained that there has not been a valuation increase to many business units, despite a recovery of some of the return from these business units. This accounting approach impacted the LTI return for the managing director and the key personnel.

The financial outlook for the next financial year is unchanged.

Board Composition

Board succession planning was noted by the chair. Gordan Naylor joined the board to facilitate Orica's succession strategy. Boon Swan Foo and Maxine Brenner will both be retiring from the board in the coming financial year (Boon for personal health reasons and Brenner due to expiration of tenure and exploration of new opportunities). The Board is participating in a recruitment process for an additional director to maintain board numbers.

Gene Tilbrook indicated an intention to depart from the Board before the completion of his next tenure as part of the board renewal process.

Environment

Orica will include a "Say on climate" vote at the next AGM but are yet to commit to how regular this vote will be. This is being reviewed internally.

Orica has assigned an additional \$80 million capital for the sole purpose of carbon equivalent reduction, principally the reduction of nitrous oxide or NO emission as a side effect of Ammonium Nitrate (AN) production.

Orica is negotiating various power purchase agreements, with the target of ensuring 60% renewable generation by 2030, and all power consumed by 2040 is carbon equivalent net zero. These targets have already been achieved in New South Wales.

China and the USA are currently trailing carbon costs. If this is adopted in Australia, it may amend Orica's ESG strategy in the near term.

Orica's focus on responding to legislation (rather than ESG for its own sake) caused the Chair to express concerns that changes being considered by the Australian government around climate controls may penalise Orica noting steps Orica has already taken.

Other ESG

Orica noted the significant legislative changes pertaining to industrial relations, and the impact this may have on the Australian personnel.

Expansion of Orica's existing whistle blower process to Kazakhstan has demonstrated improvement in reporting profiles.

Orica will establish a reconciliation action plan to allow engagement with first nations groups in the countries that Orica operates in. This will be a very generic protocol as it must apply to all First Nations' groups.

Result of the votes:

No.	Resolution description	Voting Result
2.1	That Gene Tilbrook, who retires by rotation in accordance with Rule 58.1 of the Company's Constitution, being eligible and offering himself for re-election, is re-elected as a Director.	90% for
2.2	That Karen Moses, who retires by rotation in accordance with Rule 58.1 of the Company's Constitution, being eligible and offering herself for re-election, is re-elected as a Director.	91.5% for
2.3	That Gordon Naylor, a Director appointed by the Board since the last Annual General Meeting of the Company who retires in accordance with Rule 47 of the Company's Constitution, being eligible and offering himself for election, is elected as a Director	99.8% for
.3	To adopt the Remuneration Report for the year ended 30 September 2022	95.4% for
4	That approval be given for all purposes, including ASX Listing Rule 10.14, for the grant of performance rights to the Managing Director and Chief Executive Officer, Mr Sanjeev Gandhi, under Orica's Long-Term Incentive Plan on the terms summarised in the Explanatory Notes.	99.4% for
5	That the proportional takeover provisions in Rule 86 of the Company's Constitution are renewed for a period of three years from the date of this Meeting	99.6% for

The chair had 787,383 shares he was voting for. The ASA voted against the remuneration report and performance rights and for all other resolutions.